

TOWN OF BLUFFTON



REQUEST FOR PROPOSALS FINANCIAL AUDIT SERVICES RFP 2010-61

The Town of Bluffton is requesting sealed proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal period ending June 30, 2011, with the option of auditing its financial statements for each of the two subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards and the US Office of Management and Budget (OMB) Circular A-133. Sealed proposals are due by **11:00 AM, June 15, 2010**. Sealed proposals should be hand carried or delivered by traceable means to the Town Clerk at 20 Bridge St., PO Box 386, Bluffton, SC 29910. All proposals should be clearly marked "RFP 2010-61 Financial Audit Services." Proposals must address all the issues reflected in the attached requirements document/questionnaire and the proposal price summary attachment to be considered responsive.

The proposal evaluation process will be completed within forty-five (45) days of receipt of proposals, and the prospective provider of this service will be identified. The pricing data reflected in your proposal must be good through **July 31, 2010**.

All offerors may submit questions or requests for clarification in writing by no later than **June 1, 2010**. Any inquiries concerning the request for proposal should be addressed to Trisha Greathouse, Finance Manager. After that date, no more questions or requests will be accepted.

The Town reserves the right to accept or reject any or all proposals received as a result of this request for proposals or to negotiate with all qualified offerors, or to cancel, in part or in its entirety, this request for proposals if it is in the Town's best interest to do so.

This solicitation does not commit the Town to award a contract or to pay for any costs incurred in the preparation of your proposal or to procure or contract for any goods or services.

Your proposal must be signed by an official of your company authorized to commit to and enter into a formal contract for goods and services.

The Town does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or in the provision of goods and services.

1.0 SPECIAL INSTRUCTIONS TO OFFERORS:

1.1 Purpose of RFP

This request solicits proposals to provide the Town of Bluffton, South Carolina, hereinafter referred to as “the Town”, auditing services for the fiscal period ending June 30, 2011, with the option of auditing its financial statements for each of the two subsequent fiscal years. RFP requirements and auditing service data can be found in Section 4.0 of this document.

It is the Town's intent to select the most qualified vendor based on an evaluation of the proposals utilizing the following selection criteria:

- **Depth of the firm’s governmental auditing experience**
- **Firm size and organizational structure**
- **Qualifications of staff assigned to the Town**
- **On-going training programs provided to the firm’s staff**
- **Cost of Services**

1.2 Information about the Town of Bluffton

The Town of Bluffton is located on the Atlantic coast of South Carolina. The town is located about 25 miles from Savannah, Georgia and about 100 miles from Charleston, South Carolina. The Town encompasses approximately 54 square miles and is estimated to have a population of 14,358 citizens. The general fund budget for FY 2011 is projected to be \$10,451,270. More information about the Town can be found on the website at www.townofbluffton.sc.gov

1.3 General Background Information

The Finance Department provides the following core services:

- Provide strong financial leadership in all areas of activity undertaken by the Town.
- Promote the use of technology to ensure the efficient use of the Town’s resources.
- Develop and manage the Town’s financial policies and exercise budgetary controls over all expenditures.
- Provide effective cash and debt management for the Town ensuring strong bond ratings are maintained.
- Compile accurate comprehensive annual financial reports and budgets in compliance with governmental standards, practices and recommendations.
- Ensure the department is committed to providing the highest quality customer services.
- Provide administration of the Town’s general ledger, payroll, accounts payable, and collections, financial audits, state reporting and grants.
- Responsible for maintaining all Town funds including but not limited to the following: General, Tax Increment Financing Districts (TIF), Capital Improvements Program (CIP), Debt Service, Accommodations Tax, Hospitality Tax and Storm-water Utility Fund.

1.3 General Background Information (cont.)

- Provide effective accounting support to staff and committees.
- Provides for collection and reconciliations of Town-wide funds including business license fees, building permits and development permitting fees, hospitality taxes, accommodations taxes, and franchise fees.
- Maintain the Town's business license database, and ensure compliance with the business license ordinance.
- Perform audits of the Town's municipal court to ensure that traffic tickets are appropriately reported to the State and reserves and revenues recorded with the Town.
- Perform reconciliations of County tax records to ensure the accuracy of the Town's assessed property valuations.
- Perform audits of the Town's building permits to ensure that contractors are appropriately licensed with the Town.

2.0 ADMINISTRATIVE AND CONTRACTUAL INFORMATION

2.1 Inquiries

All inquiries for information regarding procurement procedures, selection criteria, proposal submission requirements, technical operating environment, or other fiscal/administrative concerns shall be directed to:

Trisha Greathouse, Finance Manager
Town of Bluffton
P. O. Box 386
20 Bridge St.
Bluffton, SC 29910
843-706-4543
tgreathouse@TownofBluffton.com

2.2 RFP Specifications

This RFP is intended to describe the Town's requirements and provide a response format in sufficient detail to secure comparable proposals.

2.3 Implied Requirements

All products and services not specifically mentioned in this RFP, but which are necessary to provide the functional capabilities described by the vendor, must be included in the proposal.

2.4 Vendor-Supplied Materials

Any material submitted by a vendor shall become the property of the Town unless otherwise requested at the time of submission. Any material considered confidential in nature must be so marked.

2.5 Vendor's Proposals

Vendors must submit a sealed response to this RFP in writing. The vendor's proposal must follow the format provided in Section 4 of this document. Any proposals that do not follow the format outlined in this RFP will be deemed non-responsive. Each proposal must be submitted with one (1) original and three (3) copies.

2.6 Economy of Preparation

Proposals should be prepared simply and economically. Emphasis should be placed on clarity and content. All of the questions in the requirements sections of this RFP must be completed in their entirety. Any proposal that fails to respond to all the questions will be deemed non-responsive.

2.7 Response Date

Sealed proposals to be considered must arrive at Town Hall on or before the date and time specified in this RFP. Proposals not received by the Town by proposal closing time will be returned, after receipt, unopened to the vendor

3.0 RFP EVALUATION PROCESS

3.1 Review of Proposals

The review of submitted proposals will occur as soon as practical following the date they are due. The review process will involve evaluating all proposals for completeness, conformity, clarity, and compliance to the RFP requirements. Proposals not meeting minimum requirements will be considered non-responsive and excluded from further consideration.

3.2 MANDATORY Criteria:

Provide a statement affirming each of the following requirements:

- a) Licensed CPA firm: Affirm that the proposer is a properly licensed certified public accounting firm in the State of South Carolina.
- b) Independence Standards: Affirm that the proposer meets the independence requirements of the Standards For Audit of Governmental Organizations, Programs, Activities and Functions, 1981 revision, published by the U.S. General Accounting Office; and the independence standards of the South Carolina State Board of Accountancy.

3.3 Oral Presentation

Vendors whose proposals are responsive may be selected to make an oral presentation. The Town may select the most qualified proposals from those received and schedule on-site presentations. The Town anticipates the presentations will take place on or about the week of June 21, 2010 if deemed necessary.

3.4 Vendor Selection

After the oral presentations have been completed, the vendor with the highest score utilizing the published selection criteria will be identified for final negotiations.

The successful offeror will be required to accept the terms and conditions of the Town's standard contract for this service (attachment A). The content of this RFP and the successful vendor's proposal will become a part of the final contract documents. Any additional documentation required by the vendor should be included as part of the proposal for review by the Town.

4.0 RFP REQUIREMENTS AND GENERAL INFORMATION

4.1 General Information

The Town of Bluffton, South Carolina, operates under a Council/Manager form of government and provides the normal services including police protection, municipal court, engineering services, codes & planning, and parks and mior street maintenance. The Town's accounting system is on a network server and uses the MUNIS financial accounting software program.

The modified accrual basis of accounting is used by all funds of the Town.

4.2 Scope of Audit

The funds to be audited are those listed in Exhibit A of this proposal. The Town shall have closed and balanced all accounts for all funds to be examined by the auditor by, on or around **September 15 of each year. Audit preparation lists should be provided to the Town no later than August 1.**

The Town will be including its financial statements in a Comprehensive Annual Financial Report ("CAFR") in compliance with GASB Statement #34. The auditor is to provide an audit report on the fair presentation of that set of financial statements sufficient to satisfy the requirements of the Government Finance Officers Associations' Certificate of Achievement Program and in a form that complies with the AICPA's definition of the appropriate form of the independent auditor's report for audits of GASB 34 governments as defined in its current edition of Audits of State and Local Government Units. The audit must also cover the Town's Schedule of Federal Awards, which will be included in the CAFR.

Special reports shall be prepared concurrently with the report on the General Purpose Financial Statements required above or at other times as specifically required by law, and contracts. The following reports may be required:

4.2 Scope of Audit (cont)

- Report on Internal Auditing Controls and other matters based solely on a study and evaluation made as part of the examination of the General Purpose Financial Statements.
- Report on compliance based on the examination of the General Purpose Financial Statements performed in accordance with the standards for audit issued by the U.S. General Accounting Office and Government Auditing Standards.
- Report on compliance with laws and regulations related to major Federal financial assistance programs, if applicable.
- Report on internal controls (accounting and administrative) based on a study and evaluation made as part of the examination of the General Purpose Financial Statements and the additional test required by the Single Audit Act, if applicable.
- State of South Carolina Annual Local Government Financial Report.
- Any other required disclosures or report.

The auditors shall observe the adequacy of the system of internal control. If weaknesses are noted, appropriate recommendations should first be reviewed with the appropriate officials and included in a separate letter to the Town Council.

4.3 Auditing Standards

The examination shall be conducted in accordance with (a) generally accepted auditing standards as promulgated by the American Institute of Certified Public Accountants (AICPA) including the AICPA's Industry Audit Guide, Audits of State and Local Governmental Units; (b) Standards for financial audits as set forth in the U.S. Government Accountability Office's Government Auditing Standards (2003), known as the Yellow Book (c) Provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; (d) Rules of the South Carolina State Auditor; and (e) any other applicable Federal, State, Local Regulations or Professional Guidance not specifically listed above.

4.4 Certificate of Achievement for Excellence in Financial Reporting

Auditor shall provide advice, consultation and assistance in connection with the preparation and submission of the Town's Comprehensive Annual Financial Report to the Government Finance Officers Association for that organization's review and determination of the Town's eligibility to receive a Certificate for Excellence in Financial Reporting. The Town received its first certificate for the 2008 CAFR and anticipates the second for its 2009 CAFR. **This service is not intended to be construed as extra work or additional services.**

4.5 Completion of Work

The auditor's must complete all audit work and provide a "Draft" Audit Report to the Town on or before **November 15**. The Town requests that audit work be preformed at minimum one (1) full concurrent work week in the field and with at minimum an audit senior and staff to ensure limited external communication of open items and consistent understanding of financial matters. A Final Audit Report shall be provided on or before **December 15**.

4.6 Information to be Requested from the Proposer

In order to get a uniform review process and to obtain the maximum degree of comparability, it is required that proposals be organized in the manner specified.

1. Title Page

Show the RFP subject, the name of the proposer's firm, local address, telephone number, name of the contact person and the date.

2. Table of Contents

Include a clear identification of the material by section and by page number.

3. Letter of Transmittal

Limit to one or two pages.

Briefly state the proposer's understanding of the work to be done and make a positive commitment to perform the work within the time period. Give the names of the persons who will be authorized to make representation for the proposer, their titles, addresses and telephone numbers.

4. Profile of the Proposer

State whether the firm is local, national or international.

Give the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.

Describe the range of activities performed by the local office such as audit, accounting, tax service, or management services.

4.6 Information to be Requested from the Proposer (cont.)

5. Summary of the Proposer's Qualifications (in addition to minimum qualification)

Identify the partners, managers, and seniors who will work on the audit, including staff from other than the local office. Resumes for each person to be assigned to the audit should be included. (The resumes may be included in the appendix.)

Describe recent local and regional office auditing experience similar to the type of audit requested and provide the list of names, telephone numbers, and the contact person of the municipalities for whom your local and regional office has performed the audit in the **last (5) years only**. In addition, please provide the date and result of your last peer review.

6. Fee Schedule

Clearly describe the scope of the required services to be provided.

The auditors shall familiarize themselves with and comply with the provisions of any and all federal, State and County Orders, Statutes, Ordinances, Charter, Bond Covenants, Administrative Code and Orders, Rules and Regulations which may pertain to the work required in the engagement.

7. The Audit Proposal Summary Sheet.

4.7 Evaluation of Proposals

Proposals will be evaluated to ascertain which proposer best meets the needs of the requester.

1. Responsiveness of the proposal, in clearly stating the understanding of the work to be performed. (maximum 15 points)
2. Technical experience of the firm. (maximum 20 points)
3. Experience and professional activities of the audit team. (maximum 20 points)
4. Size and structure of the firm. (maximum 15 points)
5. Total fee including all direct and indirect costs and out-of-pocket expenses and a schedule of hourly rates for additional services for external auditing services, preferably for each year for the next two years. (maximum 30 points)

4.8 Additional Information and Contact

1. The Town will not be liable for any costs incurred in the preparation of the proposals.
2. The proposer shall furnish the Town such additional information as the Town may reasonably require.
3. The Town will not be liable for any costs which were not included in the proposal unless subsequently contracted for costs.
4. The Town will not be liable for any costs incurred by the proposer in connection with doing an on-site presentation (i.e. travel, accommodations, etc.)
5. Proposers wishing additional information or clarification of information provided herein should contact the Finance Manager, Trisha Greathouse, 20 Bridge St., PO Box 386, Bluffton. SC 29910. Phone (843)706-4543. Email: tgreathouse@townofbluffton.com,

EXHIBIT A

Major Governmental Funds

- General Fund
- Capital Improvement Program Fund
- TIF Project Fund
- Debt Service Fund

Non-Major Governmental Funds

Special Revenue Funds

- State Accommodations Tax
- Local Accommodations Tax
- Local Hospitality Tax
- Stormwater Utilities Fund
- Boat Ramp Fund

Account Groups

- General Fixed Assets
- General Long Term Debt

Other Information

- Brokerage Accounts: 2
- Certificates of Deposit: 3
- Checking Accounts: 4
- Other Cash Deposit Accounts: 12
- Number of Accounts Payable Checks for FY 2009: 2514

Payroll

- Number of Town Employees (FTEs) 93
- Mayor and Council 5
- Number of Town Payroll Direct Deposit Vouchers for FY 2009: 2717

Frequency of Payroll

- Town Council monthly
- Town Staff bi-weekly

Town of Bluffton

Audit Proposal Summary Sheet

Name of the firm: _____

Address: _____

Phone number: _____

Contact person: _____

	Persons responsible for audit	# years with the firm
Partner:	_____	_____
Manager:	_____	_____
Senior:	_____	_____
Staff:	_____	_____

	Fee	Add'l hourly rate
2010 - 2011	_____	_____
2011 – 2012	_____	_____
2012 – 2013	_____	_____

Comments:

REFERENCES

Government Entity	Contact Person	Phone Number	Years of Engagement
1.			
2.			
3.			
4.			

Signature

Title

Date

(ATTACHMENT A)

TOWN OF BLUFFTON AGREEMENT

COUNTY OF BEAUFORT

STATE OF SOUTH CAROLINA

THIS AGREEMENT is made the ____ of _____, 2010 between _____ (hereinafter called "Contractor") and the Town of Bluffton (hereinafter called "Town"), a municipal corporation organized and existing under the laws of the State of South Carolina.

WHEREAS, the Town desires audit services for fiscal years ending June 30, 2011, 2012, & 2013; and

WHEREAS, the Town and Contractor desire to enter into an Agreement wherein the Contractor shall provide such services as set forth herein below:

NOW, THEREFORE, for and in consideration of the mutual promises, undertaking and covenants set forth herein, the receipt and sufficiency of which are acknowledged and affirmed by the Town and the Contractor, the parties hereto agree as follows:

1. Services. The Contractor shall provide the Town with a yearly audit report of the General Purpose Financial Statements in accordance with the most recent standards available from the AICPA, the GASB, the Controller General of the U.S. and the Office of Management and Budget Circular A-133. In addition, where the requirements of the GFOA "Certificate of Achievement for Excellence in Financial Reporting" program do not promulgate GAAP they will be followed. The audit firm is responsible for expressing an opinion on the general purpose financial statements based on their audit. Also, the audit reports will include an opinion on the comprehensive annual financial statements for all governmental funds and account groups. As well, they will assist in the preparation of the financial statements, if requested and make suggestions concerning presentation and disclosure in accordance with applicable standards.
2. Deliverables: The deliverables resulting from execution of the above mentioned work shall be: Contractor has committed to having a preliminary audit report including a draft of the auditor's letter of comments and recommendation by November 15 following the fiscal year being audited assuming they are provided a trial balance by September 15 of each year. The final audit with all reports and letters would be available by December 15 following the fiscal year being audited. They will be available to attend a post-audit conference and will be available to present the audit to Town Council.
3. Fees: The total cost of these services shall be approximately _____
4. Invoicing: The Contractor shall send invoices to the Town of Bluffton, PO Box 386 Bluffton, SC 29910, Attn: Accounts Payable. Approved invoices shall be paid within 30 days upon receipt of invoice.
5. General Terms and Conditions:
 - a. The contractor is required to maintain appropriate levels of insurance for general liability, auto liability and workers compensation coverage. The contractor must provide the Town with a Certificate of Insurance for each that names the Town as an additional insured. The contractor is required to immediately contact the Town should any change to these policies occur during the course of the performance of this contract. Failure to maintain these policies is grounds for termination.
 - b. Contractor shall be licensed to perform the required work including a current Town of Bluffton Business License.
 - c. Contractor shall comply with the most current Federal and State of South Carolina Laws and Regulations, including but not limited to, Fair Labor Standards Act and Occupational Safety and Health Administration guidelines.
 - d. The Town Manager or his designee may terminate this contract in whole or in part at any time for the convenience of the Town. If the contract is terminated for the convenience of the Town, the Town will pay the Contractor for costs incurred to that date of termination.
 - e. Should any part of this Agreement be rendered void, invalid or unenforceable by a court of law, such a determination shall not render void, invalid or unenforceable any other part of this Agreement.

- f. This Agreement has been made and entered into in the State of South Carolina, and the laws of South Carolina shall govern the validity and interpretation of this Agreement in the performance due hereunder.
- g. This Agreement may not be modified nor any additional work performed unless such modification or work is approved in writing and signed by both parties. The Contractor may not assign this contract without the prior written approval of the Town.
- h. The Contractor shall defend, indemnify, and hold harmless the Town, its officers, directors, agents, and employees from and against any and all actions, costs, claims, losses, expenses, and/or damages, including attorney's fees, whether incurred prior to the institution of litigation, during litigation, or an appeal arising out of or resulting from the conduct of any activity hereby authorized or the performance of any requirement imposed pursuant by this Agreement, however caused or occasioned, unless caused by the willful misconduct or gross negligence of the Town.
- i. The parties hereto intend that no master/servant, employer/employee, or principal/agent relationship will be created by the Agreement. Nothing contained herein creates any relationship between the Town and Contractor other than that which is expressly stated herein. The Town is interested only in the results to be achieved under this Agreement. The conduct and control of the Contractor's agents and employees and methods utilized in fulfilling its obligations hereunder shall lay solely and exclusively with the Contractor. The contractor's agents or employees of the Town for any purpose. No person employed by the Contractor shall have any benefits, status, or right of employment with the Town

IN WITNESS WHEREOF, the parties hereto affixed their signatures hereto the date first written hereinabove.

Contractor_____

TOWN OF BLUFFTON

Date:_____

Date:_____

By:_____

By:_____
Anthony Barrett

Position:_____

Position: Town Manager

WITNESSES:

WITNESSES:

WITNESSES:

WITNESSES:

Attachments: